



WHY WAITING TO SAVE IS COSTING YOU MORE

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The household savings rate in South Africa fell to -1.40% in the fourth quarter of 2025¹. This highlights a growing challenge for households across the country. In a world of rising costs, volatility, side hustles, and constant financial pressure, one reality is clear: saving is not optional. It is necessary.

The myth of "I'll save when..."

For years now, there has been a quiet belief that saving becomes possible only once income reaches a certain threshold. But ask anyone who has climbed that ladder, and they will often admit the goalposts keep shifting; expenses expand alongside income. A salary bump brings lifestyle creep: a nicer apartment, a better car, a few more subscriptions, and instantly the gap between earning and saving stays exactly where it was.

The truth is that "enough" is rarely a number. It is a habit.

People who save consistently are not those who earn the most. They are the ones who decided, at some point and often after a negative experience, that a portion of everything that came in would be set aside before anything else could claim it. The amount always mattered less than the discipline behind it.

Waiting for the perfect time to save is like waiting for clear skies in a Cape winter, unlikely to happen. There will always be a reason to delay.

Small money, big momentum

The idea that small savings are pointless is one of the most damaging financial myths around. Putting away R50 may feel insignificant when measured against your monthly budget, yet the act itself does something quietly powerful: it establishes a pattern, and patterns build financial security over time.

Small, consistent deposits do three things:

- They build a habit
- They create visible progress
- They produce financial confidence over time

Compare two scenarios:

- One person waits three years for a "better time"
- Another saves a small amount automatically, each month

By the time the first person begins, the second already has momentum, a growing balance, and confidence.

Compound growth amplifies this effect. Money saved early has more time to compound returns. The person who starts with little but starts now will often outpace the person who starts with more but starts later. Time, not deposit size, does most of the work.

¹ Source: Trading Economics. December 2025. "[South Africa Household Saving Ratio](#)"



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Reframing saving: From restriction to protection

There is a tendency to think of saving as deprivation, the act of denying ourselves something in the present for an uncertain future benefit. Reframing this matters. Saving is not a punishment; it provides protection.

A negative household saving rate, such as the one South Africa recorded at the end of 2025, means that households are, on average, spending more than they earn. As a result, they draw down on past savings or, more commonly, take on debt.²

At a household level, this is risky. It leaves no buffer when unexpected costs arise, through retrenchment, a medical emergency, a broken appliance, or an urgent repair. Without savings, each of these situations can become a crisis that pushes a household deeper into the debt cycle. Even a small emergency fund makes the same events inconveniences rather than catastrophes. The difference is preparation, not luck.

Micro-saving automation

Discipline is difficult; one solution is to remove the need for it. Automation can be a support to anyone trying to build a savings habit. A standing instruction that moves a set amount into a separate account on payday, before the money can be spent, takes the decision out of your hands entirely.

This works because it reverses the usual order of priorities. Most people spend first and save whatever is left, which is usually nothing. Reversing this, saving first and spending what remains, changes everything. The amount set aside is rarely missed once it is out of sight, and spending naturally adjusts to the slightly smaller balance available.

The account itself should ideally be difficult to access. A little resistance, such as a fixed-term product or a notice account, makes impulsive withdrawals less likely. The goal is to let the savings grow undisturbed, accumulating quietly in the background while your life carries on.

Starting where you are

The most important message is the simplest. You do not need to wait. You do not need a perfect plan, a high income, or to be debt-free to begin. You need to start with whatever is possible right now, however small that may be.

For some, that will be a few hundred rand a month. For others, it may be far less. The figure is not the point. What matters is starting, because the habit formed today makes the larger savings of tomorrow possible.

The bottom line

Nobody arrives at financial security in a single jump. They get there in steps, most of them small and almost all of them consistent.

The temptation is to feel that the situation is hopeless, that there is simply nothing left to save. Yet the households that best weather difficult times are rarely those that waited for conditions to improve. They are the ones who saved what they could, when they could, and let time and consistency do the rest.

Begin where you are, with what you have, and let the habit carry you forward.

² Source: Daily Investor. 19 July 2025. [“Many South African households will struggle when they face a single emergency”](#)



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